



TIMBER

TRUCK IMPROVEMENT/MODERNIZATION BENEFITTING EMISSION REDUCTIONS PROGRAM

CARL MOYER PROGRAM FOR ON-ROAD HEAVY-DUTY LOG TRUCK REPLACEMENTS

October 18, 2013

California Environmental Protection Agency

 **Air Resources Board**

SUMMARY

These supplemental documents describe the minimum criteria and requirements for the Carl Moyer Memorial Air Quality Standards Attainment Program (CMP) Truck Improvement/Modernization Benefiting Emission Reductions (TIMBER) Program. The TIMBER Program conforms to all criteria of the 2011 Carl Moyer Program Fleet Modernization guidelines and provides a streamlined approach to reduce emissions by replacing existing, high-polluting on-road log trucks with newer, lower-emission log trucks. The TIMBER Program provides real emission benefits by retiring the high-polluting vehicle earlier than would have been expected through normal attrition or by regulation. CMP funds for TIMBER projects are used to offset part of the cost of the replacement vehicle.

California air pollution control/air quality management districts (Air Districts) shall utilize these supplemental documents in implementing this program. Air districts must follow all TIMBER Program requirements in order to offer vouchers as a funding option. Air districts do not have the discretion to set more stringent requirements based upon local priorities. TIMBER shall be implemented as a statewide program -- as such, applications must be accepted on a first-come-first-served basis, and participating districts cannot require any additional stipulations such as residency within a particular air district's boundaries. Consequently, the Air Resources Board (ARB), as an intended third party beneficiary, reserves the right to enforce the terms of the TIMBER Program at any time during the three year voucher term to ensure emission reductions are obtained. These implementation documents must be used for funding TIMBER projects and may not be modified (unless otherwise noted). A flow chart is provided to assist participating air districts, dealerships, and dismantlers with the appropriate sequence of milestones required to successfully complete a TIMBER project.

TIMBER SUPPLEMENTAL DOCUMENTS

CMP FOR ON-ROAD HEAVY-DUTY LOG TRUCKS

A. Projects Eligible for Funding

New Replacement Vehicle Purchase: The purchase of a new log truck with an engine certified to a Family Emissions Limit (FEL) or Standard (STD) level of 0.50 grams per brake horsepower hour (g/bhp-hr) Oxides of Nitrogen (NO_x) and 0.01 g/bhp-hr Particulate Matter (PM) or cleaner to replace the existing vehicle that is to be scrapped.

B. Project Funding Amounts

The maximum total project funding amounts associated with reducing the eligible costs of a TIMBER project are pre-determined and shown in Attachment O for replacements, to be updated annually. Voucher amounts shall be determined in accordance with section C.5 of this document. Applicants are limited to a maximum of 10 TIMBER grants per fleet per year.

C. Program Requirements

1. General Program Criteria

- (A) **Vehicle Configuration:** Log trucks meeting the definition and criteria in the Statewide Truck & Bus Regulation at California Code of Regulations, title 13, section 2025 (d) (39) are eligible to participate in the TIMBER Program under the corresponding funding amounts specified in Attachment O.
- (B) **Compliance Path:** Log trucks utilizing the log truck phase-in compliance path as defined in the Statewide Truck & Bus Regulation at California Code of Regulations, title 13, section 2025 (m) (12) that meet all applicable requirements will be eligible for TIMBER funding.
- (C) **Replacement Engines:** Replacement engines must be certified or verified by ARB and must comply with durability and warranty requirements. For the purposes of the TIMBER Program, a replacement engine granted a conditional certification by ARB is considered certified.
- (D) **Vehicle Leasing is Not Allowed:** If financing is necessary, the vehicle purchase must be financed with a conventional purchase loan.
- (E) **Obtaining Financing:** The participant may obtain public and/or private financing to assist in the purchase of a new replacement vehicle, but may not apply for additional public funded grants.
- (F) **Emission reductions obtained through TIMBER projects must not be required by any federal, state or local regulation, memorandum of agreement/understanding with a regulatory agency, settlement agreement, mitigation requirement, or other legally binding document.**

- (G) No emission reductions generated by TIMBER shall be used as marketable emission reduction credits, or to offset any emission reduction obligation of any person or entity.
- (H) No project funded by TIMBER shall be used for credit under any federal or state emission averaging banking and trading program.
- (I) Engines operating under a regulatory compliance extension granted by ARB, a local air district, or the U.S. Environmental Protection Agency (U.S. EPA) are not eligible for funding.
- (J) Projects funded by TIMBER may not be used to generate a compliance extension or extra credit for determining regulatory compliance, and must be excluded when determining regulatory compliance.

2. Participant Requirements

General Participant Requirements: All participants must meet the following requirements to be eligible for funding:

- (A) **Ownership Requirements:** The participant must currently and for the previous 24 months have owned and operated the existing vehicle, documented through providing a copy of the current existing vehicle title. If the existing vehicle title is not available at the time of application, all of the following may be used as alternative ownership documentation until a duplicate title is received from the California Department of Motor Vehicles (DMV): 1) copy of current and valid vehicle registration, and 2) copy of the DMV Vehicle Registration Inquiry Report, and 3) copy of the DMV receipt for duplicate title request. A copy of the duplicate title must be received by the air district before payment is issued to the dealership.
- (B) **Reporting Requirements:** The participant must report the existing vehicle in the Truck Regulation, Upload, Compliance, and Reporting System (TRUCRS) prior to applying for funding. The TRUCRS database can be accessed online at https://ssl.arb.ca.gov/ssltrucrsto/trucrs_reporting/reporting.php
- (C) Existing vehicles must follow the Log Truck Phase-In compliance path to be eligible for TIMBER funding. Participants must meet all of the requirements of the Log Truck Phase-In compliance path listed in the Statewide Truck & Bus Regulation at California Code of Regulations, title 13, section 2025 (m) (12).
- (D) **Prior Minimum Usage Requirement:** The existing vehicle must have met the mileage or fuel usage requirements in Attachment O, as applicable, for the previous 24 months. Participants must submit documentation verifying usage for the previous 24 months for the existing vehicle. Examples of documentation may include, but are not limited to: logbooks, fuel records, maintenance records, and tax records.
- (E) **Operation in California:** The applicant must certify on the application that the existing vehicle(s) has operated at least 75 percent of the time in California during the previous 24 months.
- (F) **Applying for Funding in a Participating Air District:** Applicants may only apply to one participating air district at a time.

- (G) Application Package: To be approved for TIMBER funds, the applicant must meet all guideline requirements, submit an application, and submit all of the documentation listed in the Application Package (Attachment A).
- (H) Specified Participating Dealership: The participant must specify the participating dealership used for the purchase of the new replacement vehicle. If the application is approved, the participant must purchase the new replacement vehicle from the specified dealership. If the participant chooses to change dealerships, the participant must submit a new TIMBER application to the air district.
- (I) Voucher Redemption Deadline: The dealer and owner must agree on a date in which the new replacement vehicle will be delivered. The voucher (Attachment F) will be redeemable within 30 calendar days of issuance or by the delivery date agreed upon by the dealer and owner, whichever is later. The air district must determine the eligible funding amount based on the funding table in Attachment O.

If the owner is unable to purchase the new replacement vehicle after a voucher has been issued, the owner must notify the dealer and air district immediately so that funds can be reallocated.

- (J) The owner must agree to the following terms after being approved for a replacement voucher:
 - a. Register the new replacement vehicle with DMV.
 - b. Maintain insurance as required by law.
 - c. Own and operate the new replacement vehicle at least 75 percent of the time within California for the term specified on the Receipt of Replacement Voucher (Attachment G).
 - d. Return annual usage reports for three years after voucher redemption.
 - e. Do not make any modifications to the emission control system on the new replacement vehicle engine.
 - f. Be available for a follow up inspection, if requested by the air district or ARB.
 - g. Allow ARB to verify the new replacement vehicle registration with DMV.
 - h. Notify all involved parties including the Air District and ARB of any change in ownership or registration status of the new replacement vehicle during the 36 month voucher term.
 - i. Repay the voucher funding amount if the owner does not follow one or more terms as specified in the Application or Receipt of Replacement Voucher. ARB and/or the air district will specify repayment terms.

3. Existing Vehicle Requirements

All existing vehicles must meet the following conditions before a TIMBER application will be approved and awarded a voucher.

- (A) Existing Engine: Verification of the model year must be submitted in the application package. Verification can include a picture of the model year on the engine plate or written documentation from the manufacturer or participating dealer that matches the engine serial number to a particular model year.
- (B) Diesel-fueled Vehicles: The existing vehicle must currently operate on diesel fuel.
- (C) Vehicle Title: A copy of the existing vehicle title must be submitted with the application package. The owner must be listed on the title as the current sole owner of the vehicle, and must have owned the vehicle during the previous 24 months. If the existing vehicle title is not available at the time of application, all of the following may be used as alternative ownership documentation until a duplicate title is received from DMV: 1) copy of current and valid vehicle registration, and 2) copy of the DMV Vehicle Registration Inquiry Report, and 3) copy of the DMV receipt for duplicate title request. If the existing vehicle title or alternative ownership documentation shows an active lienholder, then the vehicle does not qualify to participate in TIMBER. A copy of the duplicate title must be received by the air district before payment is issued to the dealership.
- (D) California Registration: The existing vehicle must either be 1) currently registered and have been registered in California for the past 24 months; or 2) must have been registered in California for the previous eight consecutive months supplemented by alternate documentation showing California operation for the past 24 months. The application package must include copies of the DMV registration for the term specified above, and proof of insurance and California operation for the previous 24 months. The existing vehicle must be based in California. Applicants may provide proof of California registration by providing copies of California International Registration Plan (IRP) documents. Out-of-state registration and out-of-state IRP do not qualify for TIMBER.

Seasonal Vehicle Exception: If the existing vehicle operates seasonally, then the existing vehicle may be eligible to participate in TIMBER if it has been registered in California for a minimum of 3 consecutive months per 12 month period for the previous 24 months. DMV partial year registration documentation for each period the vehicle was registered must be included in the application package. Trucks that are registered seasonally must meet the minimum annual usage requirements in Attachment O during the registered months.

- (E) Operational Condition Verification: The existing vehicle must be in operational condition to qualify for funding. Operating condition must be determined through an inspection by a participating dealership prior to submitting the application or by air district staff upon air district request. An operational vehicle must be able to start, move in all directions, and have all operational parts.
- (F) Engine Verification: If the existing vehicle engine tag is missing, then verification of the engine information can be done with the engine serial number. The participant will be required to provide verification of the engine make, model, model year, engine serial

number, and horsepower from the manufacturer. Verification can include a letter or a printout from an engine manufacturer or participating dealer.

- (G) Operation of Existing Vehicle after Approval for a Voucher: If the existing vehicle is in an accident or has an engine failure AFTER receiving approval for a voucher from the air district but prior to replacement, then the existing vehicle will still be eligible for receiving funds from the program as long as all other TIMBER requirements have been met.
- (H) Delivering the Existing Vehicle to the Dealer Prior to Taking Ownership of the New Replacement Vehicle: The participant must deliver the existing vehicle in similar condition as it was in the pre-inspection. The air district or dealer can reject the condition of the existing vehicle if it is deemed unroadworthy or if parts were stripped from the existing vehicle. Reimbursement of the voucher will be withheld until the dealer or air district approve the condition of the existing vehicle.

4. New Replacement Vehicle Requirements

All new replacement vehicles must meet the following requirements before funding is awarded to the participant: Used replacement vehicles are not eligible for funding.

- (A) Purchased from a Participating Dealership: The replacement vehicle must be purchased from an air district-approved participating dealership.
- (B) California Registration: The replacement vehicle must be registered in California or in the California IRP.
- (C) Engine Emission Standards: The purchase of a new 2010 model year or later vehicle with an engine certified to a FEL or STD level of 0.50 g/bhp-hr NOx and 0.01 g/bhp-hr PM or cleaner to replace the existing vehicle that is to be scrapped. The air district must determine the eligible funding amount based on the funding table in Attachment O.
- (D) Warranty Requirements: All new replacement vehicles must have a minimum of a one-year / 100,000-mile major component engine warranty. The warranty must cover parts and labor. It is recommended that the highest-grade warranty be purchased in order to avoid expensive repairs in the future. No CMP funds will be issued for maintenance or repairs related to the operation of the vehicle. The participant takes sole responsibility for ensuring that the vehicle is in operational condition.
- (E) Engine and Emission Control Modifications: Emission controls on the new replacement vehicle engine cannot be modified in any manner. Unauthorized modification to engine performance (including changes in horsepower), emission characteristics, engine emission components (not including repairs with like-original equipment manufacturers replacement parts), or any other modifications to the engine's emission control function is not allowed.

5. Determining Voucher Amounts

TIMBER voucher amounts shall be determined using the funding table listed in Attachment O. Qualifying mileage must be determined in accordance with the 2011 Carl Moyer Program guidelines Chapter 5 section C.5.(A).

Two-for-One Option: Owners may replace two existing vehicles with one new replacement vehicle as long as all TIMBER requirements are met. The two existing vehicles must have cumulatively met the mileage or fuel usage requirements in Attachment O. If the two existing vehicles have different engine model years, then the newest engine model year shall be used to determine the funding amount. Participants who utilize this option must submit a complete application for each existing vehicle. The applicant should specify on each application that the applicant is choosing this option by checking the Two-for-One Option box. The maximum allowable combined mileage is 60,000 miles per year (or 30,000 miles per truck). Replacement trucks are eligible for only one grant based on combined usage – the amount of the grant is not doubled.

6. Air District Requirements

Air districts must implement the following program requirements:

- (A) Implement the TIMBER Program in accordance with the 2011 Carl Moyer Program Guidelines, current program advisories and mail-outs, and future program advisories and mail-outs including supplemental documents related to the TIMBER Program.
- (B) Each air district must have a resolution or minute order of its Governing Board that commits the air district to comply with all TIMBER requirements. If an air district Governing Board granted broad authority to adopt a program like TIMBER, the granted authority must be sufficient to comply with all TIMBER requirements.
- (C) Air districts may not add limitations to project criteria or make changes to the TIMBER supplemental documents (unless otherwise noted herein).
- (D) An air district may request CMP funds if the air district chooses to use those funds to implement the TIMBER as these funds become available. In order for an air district to be approved for a funding request to implement the TIMBER, the air district must provide verification of its Governing Board approval to implement the TIMBER, a copy of at least one active dealer agreement, and a copy of at least one active dismantler agreement (as mentioned in Section 29 of the Carl Moyer Multidistrict grant agreement).
- (E) Air districts must reject TIMBER applications if funds are not currently available. Air districts cannot create a list of pre-approved TIMBER projects to receive funding at a future date.
- (F) Air districts must create an addendum to their current CMP Policies and Procedures using the air district TIMBER Policies and Procedures (Attachment B) within two months after they begin implementation of the TIMBER. Air districts are not required to submit this addendum to ARB but it must be available upon ARB request.
- (G) Air districts must use the program documents provided as attachments. The documents may only be modified to include air district logos and air district contact information. The documents will be provided electronically to the participating air districts.
- (H) Air Districts must enter the Vehicle Identification Number (VIN) into the CARL database as part of the initial review of the application to ensure that the existing vehicle has not

already applied for funding. If the VIN has already been entered into the CARL database, then the Air District must reject the application.

- (I) Air districts must contract with vehicle dealerships and dismantlers. Dealership and dismantler agreements must contain the language provided in Attachment C and D respectively. If a dealership has multiple locations, then the air district either needs to have one agreement for each location or list each location in one agreement. The process for selection of dealerships and dismantlers must be specified by the air district in the air district's TIMBER Policies and Procedures.
- (J) Air districts must ensure participating dealerships and dismantlers meet all TIMBER requirements. Air districts must receive all requested documents from the dealership or dismantler prior to signing an agreement. Air districts must maintain records verifying their participating dealerships and dismantlers meet the TIMBER requirements.
- (K) Air districts must provide participating dealership and dismantler contact information to ARB within ten business days of entering into agreement.
- (L) Air districts must ensure at least one representative from each participating dealership is trained on the terms, conditions and requirements of the program. Air districts must describe how this will be accomplished in the air district's TIMBER Policies and Procedures.
- (M) Air districts must work in coordination with ARB in outreach efforts to increase participation of vehicle owners, dealerships and dismantlers. Air districts must specify outreach efforts in the air district's TIMBER Policies and Procedures.
- (N) Air districts must provide all applicants and dealerships with application packages, inspection forms, and any other applicable TIMBER materials.
- (O) Air districts cannot restrict where participating dealers can send completed applications.
- (P) Air districts must review and approve applications on a first-come, first-served basis, based on the date of receipt of the application by the air district.
- (Q) Air districts must approve or reject applications within 10 business days of receipt.
- (R) Air districts must review an application package and approve a project once all program requirements have been met. To facilitate the review of the application package, the air district must confirm that all requirements on the Air District Review Checklist: Initial Review (Attachment E) have been met.
- (S) If a submitted application is incomplete, illegible, or has any unclear or missing documentation, the air district must reject the application immediately and return it to the applicant.
- (T) Rejected projects: Air Districts must remove the existing vehicle VIN entered at the initial review stage from the CARL database if the application has been rejected. Air districts must mail or email an application rejection letter and the application package to the applicant if their application has been rejected. This letter must be issued by the end of the 10-day review period. The air district must state the reason(s) for the

rejection on the rejection letter. If an application is rejected because the VIN is already in the CARL database, then the air district should note this as the reason for rejection on the rejection letter and keep it in the project folder. The air district must also notify the dealer or installer by mailing or emailing a copy of the rejection letter. A template of the rejection letter is in Attachment K.

- (U) **Payment Goal:** A goal of the program is to ensure payment can occur when the existing vehicle is turned into the dealership and the new replacement vehicle is ready for purchase. The air district shall work towards achieving this goal and should notify the dealership or installer of any delays in issuing payment.
- (V) **Project Payment Options:** In order to achieve the payment goal, air districts have two project payment options. The first option is to immediately begin the disbursement process for the approved voucher project after receiving a signed Reimbursement Invoice (Attachment H). Payment must not be distributed until an air district-approved Reimbursement Package has been submitted by the dealership or installer. The second option is to begin the disbursement process and issue payment within 10 business days of receipt of a completed reimbursement package. The project payment option implemented must be reflected in the air district's TIMBER Policies and Procedures.
- (W) **Air District Payment Checklist:** Air districts should use the Air District Payment Review Checklist (Attachment L) to help review if a complete reimbursement package has been submitted and payment can be issued. Air districts must retain with the project documents evidence that payment has been made. Such evidence could be a copy of the check, or other evidence consistent with standard fiscal operating procedures within the district. Allowable forms of evidence must be documented in the district's Policies and Procedures.
- (X) If the process of payment is delayed, the air district must notify the dealership or installer by phone or email at the earliest possible time of such delay.
- (Y) If the reimbursement package is not complete, the air district will mail or email a reimbursement package rejection letter (Attachment M) explaining the discrepancy to the dealership and keep a copy of this letter.
- (Z) Air Districts must enter all project data information into the CARL database within five business days of approving an application for a voucher. The replacement vehicle VIN should not be entered until sale of the vehicle is finalized. Payment information including the confirmed replacement vehicle VIN, must be submitted within five business days after payment is issued.
- (AA) Air district staff or a designated contractor must conduct the dismantle inspection of the existing vehicle at the dismantler within 60 calendar days of being notified the existing vehicle has been delivered to the dismantler yard. Inspection forms are in Attachment I. The dismantle inspection should include verification of engine destruction, verification that vehicle frame rails are completely severed, and verification that the dismantler yard has filed the "Application for Salvage Certificate or Non-Repairable Vehicle Certificate" (REG 488C) or a Notice of Acquisition/Report of Vehicle To Be Dismantled (REG 42) with DMV. Verification can include a copy of the form filed with DMV. Air districts must

also receive official verification from the dismantler that the REG 42 form has been accepted by DMV. This verification may occur after the dismantle inspection.

- (BB) Air districts must mail out annual Usage Reports (Attachment N) to participants each year for three years after voucher redemption. The air district must also input data from the returned reports into CARL. Semi-annually, air districts will notify ARB if a grantee does not return usage reports. ARB reserves the right to enforce the terms of the voucher.
- (CC) Records Retention: Air districts must retain all records of approved voucher projects for a minimum of five years from the date of issuing the voucher. For rejected projects, air districts must maintain a copy of the application, the rejection letter, and method of notification for three years from the date the application was received.
- (DD) Program Review and Monitoring: Air districts must allow ARB to monitor their voucher program, which includes review of the air district's implementation of the program. Most ARB TIMBER Program reviews will occur during a regular CMP review; however, ARB may request project information on an as-needed basis.
- (EE) Audit of Participating Dealers: Air districts that do not conduct 100 percent of required inspections themselves must audit five percent of each type of inspection (pre, post, pre-dismantle, and dismantle). Audits should be done randomly and occur throughout the implementation timeline of the air district. The following summarizes the audit requirements for the air districts to follow:

Air District Audit Requirements

Type of Inspection	Purpose(s)	Timing of Inspection
Pre-inspection	<ul style="list-style-type: none"> • Verify existing truck is in operational condition • Verify existing truck application information 	After application is submitted to air district but prior to approving the application.
Post-inspection	<ul style="list-style-type: none"> • Verify replacement truck meets emission standard: or • Verify application information 	After replacement truck is delivered and prior to payment being issued
Pre-dismantle inspection	<ul style="list-style-type: none"> • Verify existing truck is in operational condition and has not been stripped of parts • Verify existing truck application information 	After existing truck is delivered and while at dealership location, and payment is issued.
Dismantle inspection	<ul style="list-style-type: none"> • Verify engine destruction • Verify that frame rails are completely severed • Obtain copy of REG 42 form filed with DMV 	After engine and frame rail destruction.

- (FF) Meeting Environmental Justice Requirements: Air districts with environmental justice (EJ) requirements shall not apply the requirements to TIMBER application review. After each year of implementation, the air district may review each funded project to determine if it helps to meet air district EJ requirements. If those requirements have not been met, other CMP funded projects will need to be used to fulfill the EJ requirement.

7. Compliance Checks

TIMBER applicants must be pre-screened for outstanding violations in accordance with the requirements listed in the 2011 Carl Moyer Program Guidelines, Chapter 4 section D.2. The application shall not be approved for funding until air district staff is notified by ARB that the applicant has no outstanding violations. Applicants may be rejected from the TIMBER

Program for non-performance or breach of prior Carl Moyer Program or other incentive funding contracts.

8. Dealership Requirements

Dealership participation is an important component of the TIMBER Program. Dealers are responsible for providing participants with assistance in the application process. This includes ensuring compliance with all program requirements. Many of the requirements for dealerships are given in Attachment C. Additionally,

- (A) Participating vehicle dealers are also required to:
 - (1) Enter into an agreement with at least one air district in order to be a participating dealer in the TIMBER Program. Dealerships may choose to enter into agreements with more than one air district. Template language that will be included in this agreement can be found in Attachment C; the air district will provide the dealer with exact language.
 - (2) Submit the completed application package to the air district. ARB recommends that dealers submit applications to the air district closest to an applicant's physical address. Incomplete application packages will be rejected and returned to the applicant. The dealer will also be notified of the reasons for rejection (Attachment K).
 - (3) Ensure the title for the new replacement vehicle is registered to the participant in California. If the new replacement vehicle is not registered in California, the voucher will be invalid and not be paid.
 - (4) Ensure the existing vehicle is delivered to the dealership prior to releasing the new replacement vehicle.
 - (5) Ensure the existing vehicle is in similar condition as found in the pre-inspection. The dealer should reject the condition of the existing vehicle if it is deemed unroadworthy or if parts were stripped from the existing vehicle. Reimbursement of the voucher will be withheld until the dealer (or air district) approves of the condition of the existing vehicle and the vehicle is delivered to the dealership.
- (B) Application Package: To ensure that an application package is complete, the dealer must ensure that all the following items are complete and included in the participant's submission to the air district. An applicant checklist is available for participants and dealerships to use (Attachment A). The following must be completed before a voucher will be issued:
 - (1) Submit a signed and complete application.
 - (2) Submit all other applicant-required documentation as listed in these supplemental documents and on the application checklist.
 - (3) If required by the air district, inspect and provide documentation showing that the existing vehicle is operational and roadworthy. All requirements for inspections are listed in Attachment I. The air district may decide to conduct the inspections and will notify the dealership of this.

- (C) Dealer Reimbursement Package: Prior to receiving reimbursement, the dealer must submit a complete reimbursement package to the air district. A checklist of required items is available for dealers (Attachment J). The documents that should be included in the reimbursement package are listed in the Dealership Agreement Terms (Attachment C).

9. Inspections

- (A) Air Districts shall conduct inspections on TIMBER projects in accordance with the 2011 Carl Moyer Program Guidelines, Chapter 5 section C.10.
- (B) The inspection form provided in Attachment I shall be used to document all TIMBER inspections.
- (C) If the air district conduct the inspections, the inspections must be scheduled and completed within the following timeframes:
 - (1) Pre-inspection of the existing vehicle must be completed within 10 business days of the receipt of the application or request by the applicant or dealership.
 - (2) Post-inspection of the new replacement vehicle must be completed within three business days of being notified by the dealership or installer.
 - (3) Pre-dismantle inspection of the existing vehicle must be completed within three business days of being notified by the dealership. The pre-dismantle inspection is to verify the existing vehicle is in similar operating condition as in the pre-inspection. Body components related to the vehicle vocation may be removed prior to dismantling, however, if the existing vehicle has been stripped of major parts or accessories, the air district may withhold payment until the existing vehicle is restored to its previous state.

10. Dealership Reimbursement

Participating vehicle dealers are required to submit a completed reimbursement package prior to reimbursement by the air district. Attachment C details the items that must be submitted to the air district.

11. Dismantler Requirements

For replacement projects, ARB requires that the existing vehicle is destroyed. Destruction of the existing vehicle chassis and engine permanently removes the old, high-emitting vehicles from operation. This requirement has been established to ensure that emission reductions are real. It prevents the existing vehicles from being moved into another locale to continue emitting high levels of pollutants. Air districts will establish a list of participating dismantlers that existing vehicles can be delivered to or picked up for destruction.

A dismantler must enter into an agreement with at least one air district to participate in the TIMBER Program. Attachment D lists the terms that must be included in the air district/dismantler agreement.

D. Definitions

For the purposes of the TIMBER Program, definitions are as follows:

Body Components: Any components of a vehicle specific to the actual vocation of the vehicle (e.g. permanently attached log bunks). This does not include any components that are directly related to the propulsion of the vehicle, common component of a vehicle (e.g., steering wheel, seats, etc.), or related to the rigid structure of the tractor.

Existing Vehicle: The existing vehicle is the vehicle that will be turned in by the applicant for dismantling and destruction.

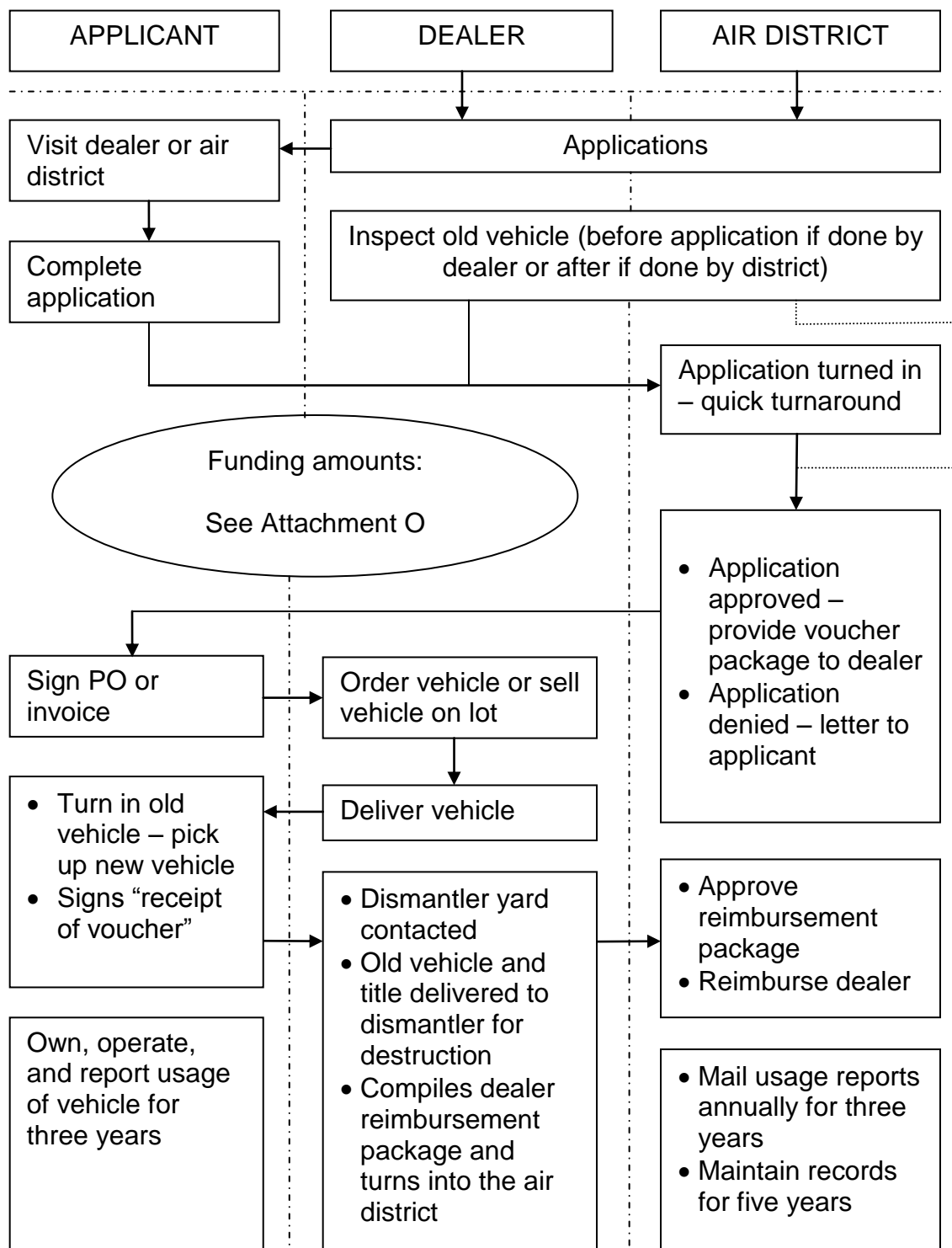
Log Truck: A heavy-duty vehicle with a manufacturer's gross vehicle weight rating greater than 33,000 pounds and has log bunks permanently attached that exclusively transports logs as defined in the Statewide Truck and Bus Regulation at California Code of Regulations, title 13, section 2025(d)(39).

Log Truck Phase-In Option: A separate compliance path within the Statewide Truck and Bus Regulation available to fleets with log trucks. Fleet owners may opt to comply by having the log trucks in their fleet meet the requirements listed in California Code of Regulations, title 13, section 2025(m)(12).

Participating Dealership: A dealership that has an agreement with an air district to participate in the TIMBER Program.

Participating Dismantler: A dismantler that has an agreement with an air district to participate in the TIMBER Program.

TIMBER Program Truck Replacement Flow Chart



Attachment A

TIMBER Application Package

Truck Improvement/Modernization Benefitting Emission Reductions

- Please print clearly or type all requested information on this application.
- Submit all supporting documentation listed on the application checklist on page 2.
- Complete one application for each heavy-duty on-road log truck.
- **If the submitted application is incomplete, illegible, or any documentation is missing or unclear, the application will be rejected immediately and returned to the applicant.**

Eligibility Criteria

To be eligible for funding in the TIMBER Program, projects must meet the criteria described in the TIMBER supplemental documents. These criteria include, but are not limited to, the following:

- Regulations: The purchase and use of this low-emission vehicle must not be required by any local, state, and/or federal rule, regulation, memorandum of agreement/understanding with a regulatory agency, settlement agreement, mitigation requirement, or other legally binding document during the agreement term, including the Drayage Truck Regulation or the Statewide Truck and Bus Regulation. **Note**: VIN numbers will be added to the Drayage Truck Registry as “non-compliant” or identified as incentive funded in the TRUCRS for up to three years after replacement truck delivery.
- Compliance Extensions: No emission reductions generated by TIMBER shall be used as marketable emission reduction credits, or to offset any emission reduction obligation of any person or entity. No project funded by TIMBER shall be used for credit under any federal or state emission averaging, banking and trading program. Engines operating under a regulatory compliance extension granted by ARB, a local air district, or the U.S. EPA are not eligible for funding. Projects funded by the TIMBER Program may not be used to generate a compliance extension or extra credit for determining regulatory compliance, and must be excluded when determining regulatory compliance.
- Vehicle Title: Applicant must prove ownership of the existing vehicle for the previous 24 months. The title must show that there is no lien holder.
- Registration: Applicant must prove that the existing vehicle has been registered in California for the previous 24 months, or for the previous 8 continuous months with 24 months of California operation documentation. For seasonal vehicle, California registration is required for 3 to 6 continuous months per 12 month period for the previous 24 months.
- Insurance: Applicant must prove that the existing vehicle has been insured for the previous 24 months.
- Usage: Applicant must provide the previous 24 months of vehicle usage documentation (fuel consumption or miles driven) in California. The existing vehicle must have met the selected minimum annual mileage or fuel usage requirements in Appendix O, as applicable, over the previous 24 months.

- Applying for Funds: Applicant may only apply for funds through the TIMBER Program to one air district at a time. Applicant cannot apply for any other grant funds to replace this vehicle.
- Two-for-One Vehicle Replacements: If an applicant is applying to replace two existing vehicles with one replacement vehicle, then two applications and supporting documentation must be submitted. Please specify this on the application by checking the Two-for-One Option.
- TIMBER applicants must be pre-screened for outstanding violations in accordance with the requirements listed in the 2011 Carl Moyer Program Guidelines, Chapter 4 section D.2. The application shall not be approved for funding until air district staff is notified by ARB that the applicant has no outstanding violations.

TIMBER Application Checklist

Truck Improvement/Modernization Benefitting Emission Reductions

Applicant Information		Dealer Information	
Company:		Dealership:	
Owner:		Salesperson:	
Phone:		Phone:	
FAX:		FAX:	
Email:		Email:	
TRUCRS ID:			
<i>Option: attach business card</i>		<i>Option: attach business card</i>	
√	Applicant Requirements		
<input type="checkbox"/>	Completed application (signed & dated in ink)		
<input type="checkbox"/>	Copy of existing vehicle title (no lien holder)		
<input type="checkbox"/>	Vehicle usage documentation (for previous 24 months) <input type="checkbox"/> Fuel records <input type="checkbox"/> Mileage records		
<input type="checkbox"/>	Vehicle usage documentation for the existing vehicle must prove : <input type="checkbox"/> selected mileage level per year for previous 24 months OR <input type="checkbox"/> selected gallons per year consumed for previous 24 months		
<input type="checkbox"/>	Copy of existing vehicle DMV registration for the previous 24 months – if existing vehicle is registered for part of a year, provide proof of registration for all months registered; or DMV registration for previous 8 consecutive months with 24 months of California operation documentation. AND Copy of existing vehicle insurance cards (for the previous 24 months)		
<input type="checkbox"/>	Inspection Form for the existing vehicle signed by a participating dealership or air district		
<input type="checkbox"/>	Digital photos of the existing vehicle		
<input type="checkbox"/>	Verification of existing engine model year from the manufacturer or dealership		
<input type="checkbox"/>	Quote and specification sheet for the replacement vehicle signed and dated by the dealership		
<input type="checkbox"/>	ARB Executive Order for new replacement vehicle engine		
<input type="checkbox"/>	If replacing two existing vehicles with one new replacement vehicle, submit an application and the above information for each existing vehicle. Check the box on the application marked “Two-for-One Option”.		

TIMBER Application

Truck Improvement/Modernization Benefitting Emission Reductions

Date Received:
(For office use only)

Applicant Information

Owner Name:	Company Name:		
Mailing address:	TRUCRS ID:		
City:	State:	Zip Code:	
Physical address:			
City:	State:	Zip Code:	
Owner Email:	Owner Phone:		

Third Party Information

This box needs to be filled out if application is completed by anyone being paid to complete the application on the owner's behalf. Dealers do not need to complete this section.			
Third-Party Name:		Company Name:	
Mailing address:			
City:	State:	Zip Code:	
Physical address:			
City:	State:	Zip Code:	
Phone:		Email:	
Third Party Signature:		Date:	

Existing Log Truck and Engine Information

☐ Two-for-One Option

VEHICLE INFORMATION:			
Vehicle Make:	Vehicle Model:		Vehicle Model Year:
Vehicle Identification Number:	License Plate Number:	Manufacture Date:	
Odometer Reading:	Vehicle operational? <input type="checkbox"/> Yes <input type="checkbox"/> No	Cab Style: <input type="checkbox"/> Conventional <input type="checkbox"/> Cab-over	
DOT Number (if interstate):	CHP number (if applicable):	Fleet ID (optional):	
Engine Information:			
Engine Make:	Engine Model:	Engine Model Year:	Manufacture Date:
Serial Number:	Engine Family Number:	Horsepower:	
Engine operational? <input type="checkbox"/> Yes <input type="checkbox"/> No	Fuel used? <input type="checkbox"/> Diesel <input type="checkbox"/> Other: _____		

New Replacement Log Truck and Engine Information (If Applicable)

NEW VEHICLE INFORMATION:					
Vehicle Make:		Vehicle Model:		Vehicle Model Year:	
Vehicle Identification Number (if available):		License Plate Number (if available):		Manufacture Date:	
Odometer Reading:		Cab Style: <input type="checkbox"/> Conventional <input type="checkbox"/> Cab-over			
DOT Number (if interstate):		CHP number (if applicable):		Delivery Date:	
Engine Information: ≤ 0.01g/bhp-hr PM and is at or below the following STD or FEL NOx level: <input type="checkbox"/> 0.20 g/bhp-hr <input type="checkbox"/> 0.50 g/bhp-hr					
Engine Make:		Engine Model:		Engine Model Year:	
Manufacture Date:					
Serial Number (if available):		Engine Family Number:		Horsepower:	
Fuel used? <input type="checkbox"/> Diesel <input type="checkbox"/> Other: _____		ARB Executive Order Number:			

Dealership Information (or attach business card)

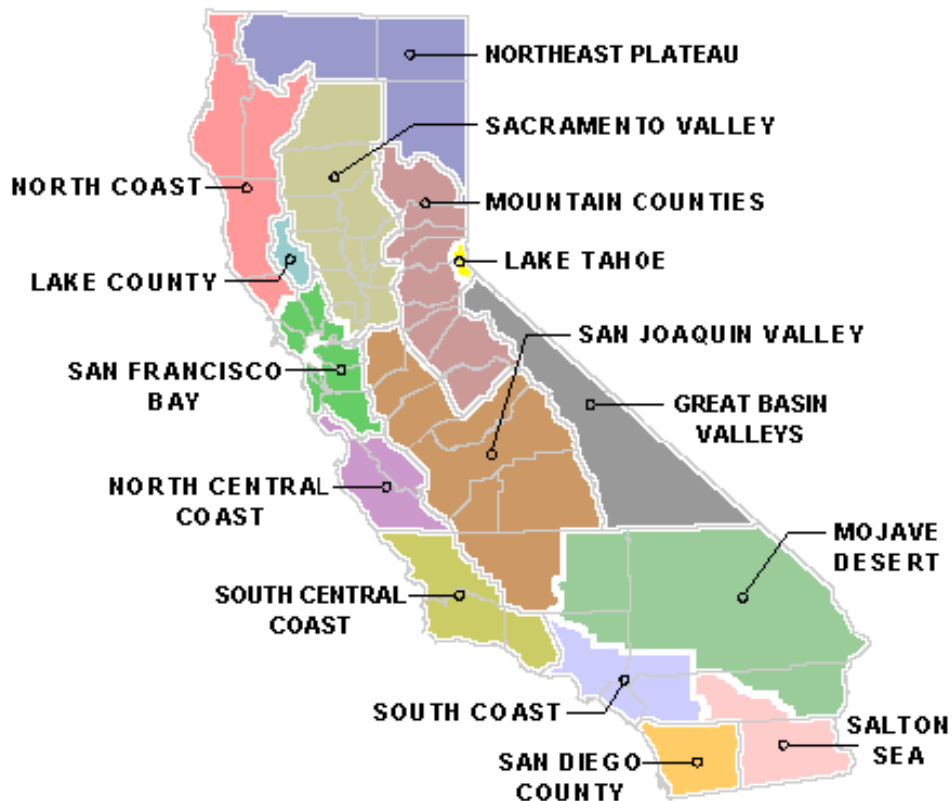
Contact Person:		Business Name:	
Phone:		Address:	
City:		State:	
Zip Code:			

Operational Area

Using the map below, estimate the percentage of your annual mileage or usage that will occur in each area. *Usage distribution within California will NOT affect your eligibility or potential funding amount.*

North Coast:	Northeast Plateau:
Lake County:	Sacramento Valley:
San Francisco Bay:	Mountain Counties:
North Central Coast:	Lake Tahoe:
South Central Coast:	San Joaquin Valley:
South Coast:	Great Basin Valleys:
San Diego County:	Mojave Desert:
Outside California:	Salton Sea:
<i>Note: The total of all percentages must equal 100.</i>	

California Air Basins



By submitting this application, I certify under penalty of perjury, under the laws of the State of California that the information on this application is accurate and true:

- I am the owner of the existing log truck(s);
- The existing log truck(s) has operated at least 75 percent of the time in California for the previous 24 months;
- I am not under contract and will not apply for additional grant funds from any other entities or programs for this vehicle;
- I understand and agree that, if my application is approved for a new replacement log truck purchase, my existing log truck(s) identified on this application will be destroyed;
- The purchase of this new low-emission log truck is NOT required by any local, state, and/or federal rule or regulation
- I understand that I must be in compliance and remain in compliance with all applicable federal, state, and local air quality rules and regulations;
- I understand that an incomplete or illegible application, or if any required documentation is missing, this application will be immediately rejected and returned to me;
- I agree to comply with all requirements of the TIMBER supplemental documents;
- I understand as an applicant that incentive programs have limited funds and shall terminate upon depletion of program funding;
- I have the legal authority to apply for incentive funding for the entity described in this application;
- I understand that if I fail to comply with the terms of this agreement, I may be barred from participating in other incentive funding programs;
- I understand that ARB, as an intended third party beneficiary, reserves the right to enforce the terms of the TIMBER Program and the Voucher at any time during the three year voucher term.
- The information provided in this application and all supporting documentation are true and correct and meet the minimum requirements of the TIMBER Program; and
- I agree to the above statements by signing below.

Owner Signature:

Date:

Printed Name:

Title:

Please attach all documentation listed on the application checklist

Please submit this application to the air district below. If you have any questions in completing your application, please contact:

<Air District Contact Information>

Attachment B

TIMBER **Air District Policies and Procedures**

Truck Improvement/Modernization Benefitting Emission Reductions

NOTE to AIR DISTRICT:

The program elements listed do NOT constitute an air district's entire Policies and Procedures. This is an addendum to the air district's already existing Policies and Procedures in order to explain how to administer the TIMBER Program. The terms have been prepared to facilitate the air districts' preparation of their TIMBER Program Policies and Procedures. The air district must ensure the intent of the TIMBER Guidelines are met and include the program elements listed below into the air district's TIMBER Policies and Procedures.

1. PROGRAM APPROVAL

How the air district is obtaining approval to implement the Carl Moyer TIMBER Program.

2. SELECTION OF DEALERSHIP

The processes the air district goes through to solicit and select dealership to go into agreement with.

3. DISMANTLER SELECTION

The processes the air district goes through to solicit and select dismantlers to go into agreement with.

4. PAYMENT PROCESS

The option in which the air district chooses to reimburse and issue payment to the dealership. There are two options:

- a. To start the disbursement process as soon as they receive a Reimbursement Invoice, OR
- b. To start the process and issue a check within 10 business days of receiving a completed Reimbursement Package.

5. DOCUMENTATION

The method in which the air district chooses to document the activities and progress of the TIMBER Program.

6. AUDITS

How the air district chooses to audit and inspect the projects. There are two options:

- a. The air district can choose to do all inspections.
- b. If the air district chooses to have dealerships and/or dismantlers conduct inspections, the air district must audit five percent of each inspection (pre-inspection, post-inspection, pre-dismantle, and dismantle inspection). The audits should be done randomly. The air district must outline how they will conduct audits in the TIMBER Policies and Procedures.

7. DEALER TRAINING

The air district provides training for the participating dealers on the TIMBER Program. If the air district chooses to have dealers and/or dismantlers conduct the inspections, the air district must specify the media in which the inspection photographs will be submitted to the air district. The air district must work with ARB in coordinating training and materials.

8. DISMANTLER TRAINING

The air district provides training for the participating dismantlers on the TIMBER Program.

9. OUTREACH

The air district, collaborating with ARB, establishes outreach goal for the TIMBER Program.

Attachment C

TIMBER

Dealership Agreement Terms to be included in Master Agreement Between the Air District and Dealer

Truck Improvement/Modernization Benefitting Emission Reductions

NOTE to AIR DISTRICT:

The terms listed do NOT constitute the Air District's entire Agreement; standard Air District Agreement language (such as, confidentiality, termination, indemnification, insurance, etc.) must be included in conjunction with the items below. The terms have been prepared to facilitate the Air District's preparation of the Agreement. The Air District must include the terms listed below and supersede any additional terms included by the Air District.

1. The Air District has not reviewed the Dealership's operations or reached any conclusion on the quality of the Dealership's operations. The Air District is permitting the Dealership to enter into this Agreement solely because the Dealership has represented to the Air District that it is aware of the ARB TIMBER Program goals, and agrees to abide by the program requirements and Carl Moyer Program Guidelines, current and future program advisories and mail-outs, and supplemental documents related to the TIMBER Program.
2. The Air District and Dealership agree that if the California Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event the State shall have no liability to pay any funds whatsoever to the Air District and Dealership or to furnish any other considerations under this Agreement.
3. Payment: The Air District will not pay or otherwise directly reimburse or compensate in any way the Dealership for its services rendered in keeping with this Agreement, but the benefit received by the Dealership under this Agreement is the opportunity to participate in the program, which includes the corresponding opportunity for the Dealership to profit from the sale of vehicles to program participants.
4. Reduction in Vehicle Purchase Price: The dealership should show the voucher amount on the new replacement truck invoice. This amount should not reduce the sales price of the truck but should reduce the amount the participant will pay for the truck. The receipt of voucher funds does not lower the base price of the truck and does not reduce the tax basis of the truck.
5. Voucher Payment: The Dealership will be reimbursed by the Air District for the voucher amount once the Dealership submits a complete Reimbursement Package to the Air District.
6. Dealership Obligations: The Dealership agrees to provide general information to program participants about the program. The Air District will provide training to Dealership staff. The Dealership agrees to assist program participants to correctly complete and submit the Application Package (Attachment A) to the Air District. It is important to verify that all information is filled out correctly and that the participant understands the program.

- a. Before the Air District may approve a voucher, an Application Package must be completed and submitted to the Air District. The Application Package must include all required documentation as outlined in the Application Checklist (Attachment A).
 - b. After the Air District notifies the Dealership of application approval, the Dealership will order the new replacement vehicle with an engine that meets the emissions standards corresponding to the project funding level as specified in the TIMBER Funding Table (Attachment O) and have the new replacement vehicle delivered to the Dealership.
 - c. The existing vehicle and its original, signed title will remain in dealership custody and the existing vehicle will be sent to a participating dismantler yard for destruction within 60 calendar days of dealership taking vehicle possession. The dealership will immediately notify the Air District of the location and date of delivery of the existing vehicle to the dismantler. The Air District will provide a list of participating dismantlers to the Dealership.
7. Dealership Qualifications: Dealership warrants that it meets the following minimum qualifications for participation in the program, and will continue to meet these qualifications throughout its participation in the program.
- a. Dealership has had a valid business license issued in California for a minimum of the last two years.
 - b. Dealership has had a valid DMV dealership license for a minimum of the last two years.
 - c. Dealership maintains a minimum of one employee that has successfully completed the training by the Air District regarding the terms, conditions and requirements of the program. If a participating dealership maintains more than one location for truck sales, then each location must have at least one employee trained on the TIMBER Program. Language must be included in the dealership agreement requiring each location to have at least one employee trained on the TIMBER Program.
 - d. Dealership agrees to allow the Air District or ARB to inspect vehicles or audit program records covered under this Agreement during normal business hours.
8. Inspections: The inspections described below require that inspection forms (Attachment I) be completed and photographs taken to document vehicle and engine. Specific requirements are outlined in the inspection forms.
- a. The Air District may enter into a contract, written agreement, or memorandum of understanding with a participating dealership to perform pre-inspections and/or post-inspections. If the Air District chooses to use dealerships to perform inspections, Air District staff must conduct and document at least one inspection on each project without the use of a contractor. The Air District must ensure all inspection requirements are met and shall retain legal responsibility for full compliance with the inspection provisions of the Carl Moyer Program Guidelines, current and future program advisories and mail-outs, and supplemental documents related to the TIMBER Program. If the Air District requests the Dealership to conduct an inspection, then the inspection must be conducted as follows:

1. Pre-Inspection: Submit completed inspection form and photos to the Air District with the application.
 2. Post-Inspection: Submit completed inspection form and photos to the Air District with Dealer Reimbursement Package.
 3. Pre-Dismantle: Submit completed inspection form and photos to the Air District with Dealer Reimbursement Package.
- b. If the Air District conducts inspections, then inspections must be conducted in accordance with the inspection section in the TIMBER Supplemental Documents.
9. Dealership Reimbursement: Dealership must submit a Reimbursement Package to the Air District. The Reimbursement Package must include:
- a. Reimbursement Invoice (Attachment H) signed and returned to the Air District upon receipt
 - b. Final dealership invoice signed by the applicant that shows the final purchase price less the voucher award
 - c. Receipt of Voucher (Attachment G) signed by the participant
 - d. The original Voucher
 - e. Copy of DMV registration paperwork showing that the vehicle is registered to the participant in California
 - f. Copy of finance documentation (if applicable)
 - g. Copy of new replacement vehicle warranty information
 - h. Copy of existing vehicle title signed and dated by participant
 - i. Inspection forms and pictures of the existing vehicle after it is turned in to the dealership as specified in the TIMBER Inspection Form (Attachment I)
 - j. Inspection forms and pictures of the new replacement vehicle as specified in the TIMBER Inspection Form (Attachment I)
 - k. Location of the dismantler yard where the existing vehicle will be destroyed
 - l. Date the existing vehicle is delivered to or picked up by a participating dismantler
10. Noncompliance: Noncompliance with this Agreement or program Requirements and Carl Moyer Guidelines, current and future program advisories and mail-outs, and supplemental documents related to the TIMBER Program may result in the cancellation of the Agreement, recapturing of voucher funds, or any other remedy available under the law. ARB and the Air District may disqualify the Dealership from program participation and seek other remedies as available under the law for noncompliance with this Agreement or program requirements.

Attachment D

TIMBER

Dismantler Agreement Terms to be Included in Master Agreement Between the Air District and Dismantler Owner

Truck Improvement/Modernization Benefitting Emission Reductions

NOTE to AIR DISTRICT:

The terms listed do NOT constitute the Air District's entire Agreement; standard Air District Agreement language (such as, confidentiality, termination, indemnification, insurance, etc.) must be included in conjunction with the items below. The terms have been prepared to facilitate the Air District's preparation of the Agreement. The Air District must include the terms listed below that would supersede any additional terms included by the Air District.

1. The Air District has not reviewed the Owner's operations or reached any conclusion on the quality of the operations. The Air District is allowing the Owner to enter into this Agreement solely because the Owner has represented to the Air District that it is aware of ARB's TIMBER Program goals, and agrees to abide by the program requirements and Carl Moyer Program Guidelines, current and future program advisories and mail-outs, and supplemental documents related to the TIMBER Program.
2. The Air District and Dismantler agree that if the California Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the Program, this Agreement shall be of no further force and effect. In this event the State shall have no liability to pay any funds whatsoever to the Air District and Dismantler or to furnish any other considerations under this Agreement.
3. Payment: Owner will not be paid or otherwise reimbursed directly by the Air District or ARB. Rather, the benefit received by the Owner under this Agreement is the opportunity to participate in the Program, which carries the corresponding opportunity to profit through the receipt – for cash or free – of materials that the Owner will dismantle with the intent to make a profit. Funding is not available from the Air District through this Agreement for any dismantler or material costs, including hazardous waste abatement fees, labor costs, fines, permits, or other charges resulting from destruction or disposal.
4. Owner Obligation: The Owner must comply with the following requirements in accordance with the Carl Moyer Program Guidelines, current and future program advisories and mail-outs, and supplemental documents related to the TIMBER Program, and submit certification to the Air District verifying that the requirements have been met. Within 60 calendar days of receiving vehicles under this Agreement, Owner will:
 - a. Destroy vehicle and render it physically useless, including completely severing the frame rails so that the frame is no longer capable of being used in a vehicle, and destroying and rendering useless the engine including putting a minimum three-inch diameter hole in the engine block; and
 - b. Notify the Air District when the vehicle (chassis and engine) has been properly destroyed and schedule a destruction-inspection with the Air District; and

- c. The dismantler must provide verification that the vehicle is registered with DMV as non-repairable. Verification of filing the form with DMV (REG 488C Application for Salvage Certificate or Non-Repairable Vehicle Certificate, or REG 42 Notice of Acquisition/Report of Vehicle To Be Dismantled) must be provided to the Air District at the dismantle inspection. Within 90 calendar days of the dismantle inspection date, the dismantler must also provide verification to the Air District from DMV that the replaced vehicle has been registered with DMV as non-repairable (non-revivable) with a transaction code L10 (Junk Non-Revivable) or C26 (Junk Non-Revivable Original).
5. Owner Qualifications: Owner warrants that it meets the following minimum qualifications for participating in the Program, and will continue to meet these qualifications throughout its participation in the Program. Owner must provide written proof that it meets the following qualifications within 48 hours if requested by Air District staff.
 - a. Owner must have a current, valid Dismantler's license issued by the DMV.
 - b. Owner must have a current, valid California Environmental Protection Agency Hazardous Material Generator and Storage Permit.
 - c. Owner must be in compliance with all local, state, and federal regulations, permits and requirements.
 - d. Owner must have a minimum of 1 active employee who received training by the Air District on the requirements of the Program. If a dismantler has more than one location, then the dismantler must have at least 1 active employee trained by the Air District at each location that will be accepting TIMBER trucks.
 - e. Dismantler must have a valid business license issued and has been a dismantler in California for a minimum of the last two years.
6. Dismantler Inspection: Once the Air District is notified, a dismantler inspection will be scheduled and photos documenting the destruction of the engine will be taken in accordance with the Carl Moyer Program Guidelines, current and future program advisories and mail-outs, and supplemental documents related to the TIMBER Program. The destruction of the engine and vehicle must be documented by the air district. Air district staff or a designated contractor must verify in person the vehicle identification numbers and engine serial number. Owner shall not move the vehicle off of their property or part out a vehicle until a dismantler inspection by the Air District or a designated contractor has been performed and given approval by the Air District.
7. Use of Engine or Vehicle Pending Destruction: Owner may not use or permit the use of, the engines or vehicles, except as necessary to move it for destruction or storage.
8. Compliance: Because the prompt destruction of vehicles and engines is one of the critical components of the Program, and the parties agree that it will be difficult to determine the monetary damages arising from Owner's breach of the requirement to destroy the dismantler vehicle within 60 calendar days, Owner agrees that if it fails to destroy the engine and vehicle within the 60-day period, it will pay the Air District up to \$500 per day until the engine and vehicle is destroyed and provide verification that the vehicle has been registered as non-repairable with DMV. Owner may request that the Air District extend the 60-day period, and the Air District will not unreasonably withhold its approval of the extension request. Only written

extensions are effective. Owner will not generally be eligible for an extension if the cause of the delay was within its control.

9. Noncompliance: Noncompliance with this Agreement or Carl Moyer Program Guidelines, current and future program advisories and mail-outs, and supplemental documents related to the TIMBER Program may result in the cancellation of the Agreement, recapturing of voucher funds, or any other remedy available under law. ARB and the Air District may disqualify Dismantler from Program participation and seek other remedies as available under the law for noncompliance with this Agreement or Program requirements.

Attachment E

TIMBER Air District Review Checklist: Initial Review Truck Improvement/Modernization Benefitting Emission Reductions
--

Owner: _____	<input type="checkbox"/> Approved <input type="checkbox"/> Rejected
Company: _____	Voucher # _____
Dealership/Installer: _____	Voucher Amount: \$ _____
Submittal Date: _____	Expiration date: _____

Verify that the following information/documents are included in the application. Use back side of checklist for additional comments if necessary.

Existing Vehicle Requirements

- ☐ Verification of the existing engine model year
- ☐ Vehicle is diesel fueled
- ☐ If the applicant chose the two-for-one option, both existing vehicles meet all requirements of the Program

New Replacement Vehicle Requirements (if applicable)

- ☐ New replacement vehicle is not a glider kit (the VIN does not start with the letters "GL")
- ☐ New replacement vehicle is model year 2010 or newer.

Documentation Requirements

- ☐ Application complete, signed and dated – original application (with wet signature)
- ☐ Compliance Check
 - ☐ Fleet reported on pre-screened list, **OR**
 - ☐ Fleet compliance check cleared as notified by ARB
- ☐ Copy of the existing vehicle title proving ownership for the previous 24 months (titles with lien holders are not eligible for replacement funding)
- ☐ Documentation of a minimum of 24 months of existing vehicle usage. Specific vehicle is identified in documentation
 - ☐ meets the selected annual mileage in the TIMBER Funding Table for previous 24 months, **OR**
 - ☐ meets the selected annual fuel usage in the TIMBER Funding Table for previous 24 months.
- ☐ Copy of DMV registration
 - ☐ previous 24 months of California registration, or
 - ☐ eight consecutive months of California registration, with 24 months of California operation documentation
- ☐ Copy of Vehicle Insurance Cards (previous 24 months)

- ☐ Quote and specification sheet for the new replacement vehicle (with date and price) signed by the dealership
 - ☐ Delivery date is listed and included on the voucher
 - ☐ Voucher amount is reduced from quote
 - ☐ Owner is listed as buyer
- ☐ ARB Executive Order for the new replacement engine, which demonstrates the engine meets Guideline requirements of $\leq 0.01\text{g/bhp-hr PM}$ and is at or below the following STD or FEL:
 - ☐ STD or FEL level of 0.50 g/bhp-hr NOx ; OR
 - ☐ STD of 0.20 g/bhp-hr NOx

Existing Vehicle Inspection Requirements

- ☐ Signed inspection form of the existing vehicle from either the dealer or the Air District
 - ☐ Existing vehicle is operational – clear evidence has been provided
- ☐ Digital photos taken at the inspection of the existing vehicle are legible
- ☐ Digital photo information for existing vehicle/engine make, model year, VIN, serial number matches application information. The photos of the engine should help verify application information. If no engine tag is available, a print out of the engine specifications will suffice.

Air District Requirements

☐ Issue voucher for

- Funding year: _____
- Existing engine model year: _____
- Annual mileage: _____
- OR fuel use: _____
- 0.50 or 0.20 NOx standard:
- VOUCHER AMOUNT: _____

☐ The following application form fields are mandatory and must be filled in completely before the application may be approved.

Applicant Information: <ul style="list-style-type: none">• Owner Name• Mailing Address (including City, State, Zip)• Physical Address (if different from mailing)• Owner Phone	Third Party Information: <ul style="list-style-type: none">• Third-Party Name• Mailing address (including City, State, Zip)• Physical Address (if different from mailing)• Phone• Third Party Signature & Date Only required if a paid party other than the dealership completes the application
Existing Vehicle and Engine Information: <ul style="list-style-type: none">• Vehicle Make• Vehicle Model• Vehicle Model Year• Vehicle Identification Number (VIN)• License Plate Number• Odometer Reading• Vehicle Operational• Engine Make• Engine Model• Engine Model Year• Serial Number• Engine Family Number• Engine operational• Fuel used	New Replacement Vehicle and Engine Information: <ul style="list-style-type: none">• Vehicle Make• Vehicle Model• Vehicle Model Year• Odometer Reading• Engine Make• Engine Model• Engine Model Year• Engine Family Number• Fuel used• ARB Executive Order Number
Dealership Information: All fields must be filled out or a business card must be attached	Inspection Forms: All applicable forms must be filled in based on the information required above for the existing and new replacement vehicles.
Applicant Recitals Owner must sign and date application	

☐ If rejected, letter sent to applicant and the dealer was cc'd

Reason(s) for rejection: _____

☐ If approved, voucher package sent to dealer on (Date): _____

Air District Staff (print name): _____

Date Reviewed: _____

Attachment F

<p style="text-align: center;">TIMBER Replacement Voucher <small>Truck Improvement/Modernization Benefitting Emission Reductions</small></p>
--

Congratulations! You have been approved to receive funding through the TIMBER Program. This voucher is redeemable for the purchase of the new replacement vehicle listed below. Redemption of this voucher must be completed at the dealership listed below.

Owner: Please confirm the following information and sign in the first section.

Air District: _____
Voucher Number: _____
Voucher Amount: \$ _____

ARB, as an intended third party beneficiary, reserves the right to enforce the terms of the TIMBER Program at any time during the three year voucher term to ensure emission reductions are obtained.

Recipient Information	Dealership Information
Owner:	Dealership Name:
Address:	Address:
City, State, Zip:	City, State, Zip:
Phone:	Phone:
Accept: <input type="checkbox"/> Decline: <input type="checkbox"/>	
Owner Signature	Date:

Replacement Vehicle Information	Engine Information
Make:	Make:
Model:	Model:
Model Year:	Model Year:
VIN:	Engine Family Number:

To be eligible to redeem this voucher, the participant must purchase and take delivery of the new replacement vehicle no later than <Date>. The participant must also deliver the existing vehicle in similar condition to the pre-inspection to the dealership prior to taking ownership of the new replacement vehicle.

By signing, I validate the issuance of this voucher in accordance with the TIMBER Program.

Signature of Air District Representative: _____ Date: _____

Printed Name: _____

Address: _____

City, State, Zip: _____

Phone Number: _____

Attachment G

TIMBER Receipt of Replacement Voucher <small>Truck Improvement/Modernization Benefitting Emission Reductions</small>
--

Voucher Number:	Voucher Amount: \$
New Replacement Vehicle	Dealership
Make:	Dealership Name:
Model:	Address:
Model Year:	City, State, Zip:
VIN:	Phone:

Voucher Recipient	Air District	ARB
Owner Name:	Air District:	Carl Moyer Program
Address:	Address:	Phone: (866) 6-DIESEL
City, State, ZIP:	City, State, Zip:	Email: 866diesel@arb.ca.gov
Phone:	Phone:	

As an applicant of the Carl Moyer TIMBER Program, I agree to the following:

- Register the new replacement vehicle in California with the DMV.
- Maintain insurance as required by law.
- Own and operate this vehicle at least 75 percent of the time within California for a minimum of 36 months from the delivery date.
- NOT use TIMBER funded projects to generate a compliance extension or extra credit for determining compliance with any regulation.
- Return annual usage reports for three years after voucher redemption.
- Never modify the emission control system, the vehicle, or the engine. Be available for a follow up inspection by the Air District or ARB, if requested.
- Allow ARB to verify registration with the DMV.
- Notify all involved parties including the Air District and ARB of any change in ownership or registration status during the 36 month voucher term.
- Pay back all incentive funds if one or more of the terms of the TIMBER Program, including the terms of this voucher are not met.
- All terms and conditions of the Application remain in effect.
- ARB, as an intended third party beneficiary, reserves the right to enforce the terms of the TIMBER Program at any time during the three year voucher term to ensure emission reductions are obtained.

I certify under penalty of perjury, under the laws of the State of California that the information provided is accurate.

Signature of Participant: _____ Date: _____
 Name of Participant: _____

Original to Air District, Copy to Participant

Attachment H

<p style="text-align: center;">TIMBER Reimbursement Invoice <small>Truck Improvement/Modernization Benefitting Emission Reductions</small></p>
--

Date:

Dealership Information
Business Name:
Address:
City, State, Zip:
Phone:
Federal Tax ID Number:

Please reimburse Dealer Name for \$0.00 for the voucher number _____.

A complete reimbursement package will be turned in at the time of payment.

Thank you.

Name: _____

Signature: _____

Date: _____

Attachment I

<h1 style="margin: 0;">TIMBER</h1> <h2 style="margin: 0;">Inspection Form</h2> <p style="margin: 0; font-size: small;">Truck Improvement/Modernization Benefitting Emission Reductions</p>
--

Type of Inspection:

Existing Vehicle: <input type="checkbox"/> Pre-Inspection <input type="checkbox"/> Pre-Dismantle <input type="checkbox"/> Dismantle
<input type="checkbox"/> New Replacement Vehicle Post-Inspection
Legible Pictures: <input type="checkbox"/> Yes <input type="checkbox"/> No

Applicant Information

COMPANY NAME:	INSPECTION LOCATION:
Owner Name:	
Address:	
City, State, Zip:	
Phone No:	

Vehicle and Engine Information

☐ **EXISTING VEHICLE** ☐ **NEW REPLACEMENT VEHICLE**

VEHICLE INFORMATION:			
Vehicle Make:	Vehicle Model:	Vehicle Model Year:	
Vehicle Identification Number:	License Plate Number:	Date of Manufacture:	
Odometer Reading:	Vehicle operational? <input type="checkbox"/> Yes <input type="checkbox"/> No	Cab Style: <input type="checkbox"/> Conventional <input type="checkbox"/> Cab-over	
DOT Number (if interstate):	CHP number:	Fleet ID:	
Engine Information:			
Engine Make:	Engine Model:	Engine Model Year:	Date of Manufacture:
Serial Number:	Engine Family Number:	Horsepower:	
Engine operational? <input type="checkbox"/> Yes <input type="checkbox"/> No	Fuel used? <input type="checkbox"/> Diesel <input type="checkbox"/> Other:		

**An operational vehicle must be able to start, move in all directions, and have all operational parts.

For Pre-Dismantler Inspection ONLY, Specify

DISMANTLER:	CONTACT NAME:	PHONE:
DMV title delivered and signed by owner? <input type="checkbox"/> Yes <input type="checkbox"/> No		Engine operational? <input type="checkbox"/> Yes <input type="checkbox"/> No

For Dismantler Inspection ONLY, Specify

DISMANTLER:	CONTACT NAME:	PHONE:
Non-Repairable Vehicle or Application for Salvage Certificate, or Notice of Acquisition/Report of Vehicle to be Dismantled filed with DMV? <input type="checkbox"/> Yes <input type="checkbox"/> No		Frame rails completely severed? <input type="checkbox"/> Yes <input type="checkbox"/> No
		Engine destroyed? <input type="checkbox"/> Yes <input type="checkbox"/> No

Comments:

I certify under penalty of perjury that: (1) the information provided above is accurate, (2) the pictures are of the inspected vehicle, (3) the pictures clearly depict the inspected vehicle, and (4) that I understand that this inspection form is incorporated in the agreement with the <air district>.

Signature:	Date:
Authorized Name:	
Air District / Dealership:	
Address:	
City, State, Zip:	
Phone No:	

Required Photographs

Digital photos should be clear images with a minimum of 640x480 capture resolution. The Air District will specify the digital media format required to save the pictures on.

(Check the boxes/circles of pictures taken)

Pre-inspection of existing vehicle	Post-inspection of new replacement vehicle
<ul style="list-style-type: none"> <input type="checkbox"/> Vehicle from left side <input type="checkbox"/> Vehicle from right side <input type="checkbox"/> Vehicle from front <input type="checkbox"/> Vehicle from back <input type="checkbox"/> Vehicle Identification Number (VIN) <input type="checkbox"/> Odometer reading <input type="checkbox"/> Engine from drivers side <input type="checkbox"/> Engine tag (if available)* <ul style="list-style-type: none"> <input type="checkbox"/> Engine make <input type="checkbox"/> Engine model <input type="checkbox"/> Engine serial number (ESN) <input type="checkbox"/> Engine family number <input type="checkbox"/> DOT / CHP Numbers <input type="checkbox"/> Permanently attached log bunks 	<ul style="list-style-type: none"> <input type="checkbox"/> Vehicle from front <input type="checkbox"/> Vehicle Identification Number (VIN) <input type="checkbox"/> Odometer Reading <input type="checkbox"/> Permanently attached log bunks <input type="checkbox"/> Engine tag <ul style="list-style-type: none"> <input type="checkbox"/> Engine make <input type="checkbox"/> Engine model <input type="checkbox"/> Engine serial number (ESN) <input type="checkbox"/> Engine family number
Pre-Dismantler inspection of existing vehicle	Dismantler inspection of existing vehicle
<ul style="list-style-type: none"> <input type="checkbox"/> Vehicle from left side <input type="checkbox"/> Vehicle from right side <input type="checkbox"/> Vehicle from front <input type="checkbox"/> Vehicle from back <input type="checkbox"/> Vehicle Identification Number (VIN) <input type="checkbox"/> Odometer Reading <input type="checkbox"/> Engine from drivers side <input type="checkbox"/> Engine serial number (ESN) 	<ul style="list-style-type: none"> <input type="checkbox"/> Vehicle from front <input type="checkbox"/> Vehicle Identification Number (VIN) <input type="checkbox"/> Engine serial number (ESN) <input type="checkbox"/> Cut in frame rails <input type="checkbox"/> Hole in engine block (at least three inches wide)

**If engine tag is missing, additional manufacturers documentation verifying engine make, model and family number associated with the photographed ESN stamped on the engine block must be submitted.*

Attachment J

TIMBER Reimbursement Package Checklist

Truck Improvement/Modernization Benefitting Emission Reductions

Participant Name: _____ Date: _____

Voucher Number: _____ Voucher Amount: _____

√	Documents included in Dealer Reimbursement Package
<input type="checkbox"/>	Dealer Reimbursement Invoice (original) – signed by dealership
<input type="checkbox"/>	Final new replacement vehicle purchase invoice
<input type="checkbox"/>	Receipt of Voucher (original) – signed by the participant
<input type="checkbox"/>	Voucher (original)
<input type="checkbox"/>	Copy of DMV registration paperwork showing vehicle registered to applicant
<input type="checkbox"/>	Copy of replacement vehicle financing documentation (if applicable)
<input type="checkbox"/>	Copy of the replacement vehicle warranty
<input type="checkbox"/>	Copy of existing vehicle title signed and dated by applicant
<input type="checkbox"/>	Inspection forms and digital photos for existing vehicle ready for dismantler
<input type="checkbox"/>	Inspection forms and digital photos for new replacement vehicle
<input type="checkbox"/>	Location of dismantler yard where the existing vehicle will be destroyed
<input type="checkbox"/>	Date the existing vehicle is delivered to or picked up by a dismantler

Dealership Business Name: _____

Contact Person: _____

Phone Number: _____

Attachment K

TIMBER Template of Rejection Letter

Truck Improvement/Modernization Benefitting Emission Reductions

Date

Name

Company

Address

City, State, Zip

RE: Application Rejected: TIMBER Program

Dear Name:

Thank you for submitting an application to the <Air District's> TIMBER Program. Your application was reviewed and found to be incomplete and/or not meeting the requirements of the program. The application was rejected because:

☐ The applicant did not meet the following TIMBER Program criteria listed in the guidelines

-

☐ The application package was incomplete. The following information was not included in the application:

-

☐ The application package was voluntarily withdrawn.

If your application was voluntarily withdrawn or incomplete, you can re-apply by submitting a new completed application.

If you have any questions, please contact <insert contact> at <insert phone> or <insert email>.

Sincerely,

<Name>

<Title>

cc: Dealership

Attachment: Application Package

Attachment L

TIMBER Air District Payment Review Checklist Truck Improvement/Modernization Benefitting Emission Reductions
--

Applicant:	Company (if any):	Dealer:
Voucher Number:	Voucher Amount:	Submittal Date:

Verify the following information in the reimbursement package:

- ☐ Applicant information matches application
- ☐ Voucher number is correct
- ☐ Voucher amount is correct
- ☐ New replacement vehicle information matches application, quote information, and TIMBER requirements
- ☐ Invoice correctly shows the final price less the voucher amount

Verify that the following documents are included in the reimbursement package:

- ☐ Reimbursement invoice
- ☐ Receipt of voucher signed by the applicant
- ☐ Original voucher
- ☐ Financing information, if vehicle was financed
- ☐ Warranty information
- ☐ Completed final invoice, signed and dated by the applicant
- ☐ DMV paperwork showing California registration with owner's name
- ☐ DMV paperwork showing that the new replacement vehicle has been registered
- ☐ Inspection forms and photos of the new replacement vehicle
- ☐ Inspection forms and photos of the replaced vehicle in dealership custody
- ☐ Copy of Title of the existing (replaced) vehicle, signed and dated by the applicant

Reimbursement approved? ☐ Yes ☐ No

Comments (Use back side of checklist for additional comments if necessary):

Funding Date: _____

Copy of check in project folder

Check Number: _____

Air District Staff (print name): _____

Date Reviewed: _____

Attachment M

<p style="text-align: center;">TIMBER Reimbursement Package Rejection Letter Template</p> <p style="text-align: center;"><small>Truck Improvement/Modernization Benefitting Emission Reductions</small></p>
--

Date

Salesperson
Dealership
Address
City, State, Zip

RE: Reimbursement Package Rejection Letter: Voucher Number #_____

Dear Salesperson:

Thank you for your participation in the TIMBER Program. Unfortunately, the reimbursement package submitted for Voucher Number #_____ was reviewed and found to be incomplete and/or not meeting the requirements of the program. The package was rejected because:

☐ The reimbursement package did not meet the following TIMBER Program criteria listed in the guidelines

-

☐ The reimbursement package was incomplete. The following information was not included in the package:

-

If your reimbursement package was incomplete, please re-submit the entire reimbursement package including the missing documentation. If your reimbursement package did not meet the criteria of the program, please contact air district staff immediately for further explanation.

If you have any questions, please contact <insert contact> at <insert phone> or <insert email>.

Sincerely,

Name
Title
Air District
Phone Number

Attachment: Reimbursement Package

Attachment N

<h3 style="margin: 0;">TIMBER</h3> <h3 style="margin: 0;">Usage Report</h3> <p style="margin: 0; font-size: small;">Truck Improvement/Modernization Benefitting Emission Reductions</p>

Thank you for participating in the Carl Moyer TIMBER Program. Please fill out this usage report as required by the voucher agreement and return to the address below within five business days. Please provide your mileage and/or fuel usage for the time period checked below based on the date of your voucher redemption.

- ☐ Annual Usage Year #1
Months 1 – 12

☐ Annual Usage Year #2
Months 13 – 24

☐ Annual Usage Year #3
Months 25 – 36

Participant Information:

Name: _____
 Address: _____

Vehicle Information:

Make: _____
 Model/Year: _____
 VIN: _____

I still own the vehicle and for the previous 12 months have in California:
 (please print legibly)

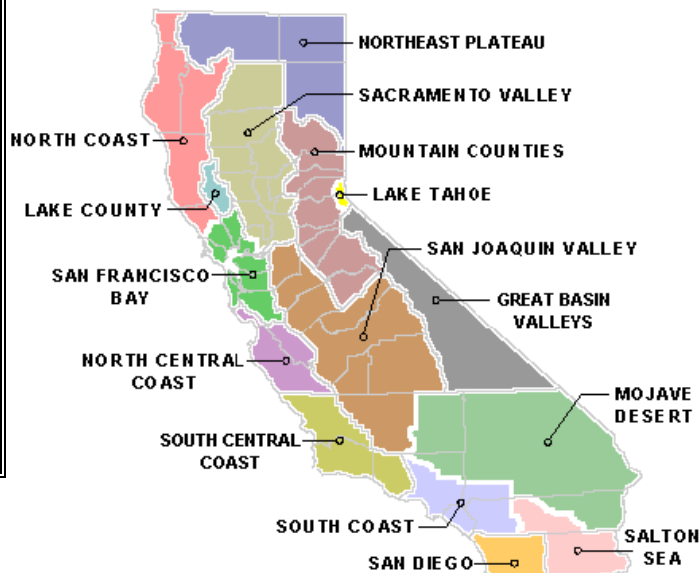
- driven _____ miles; AND/OR • consumed _____ gallons of fuel.

The odometer reading is:

--	--	--	--	--	--	--	--	--	--

I operated the vehicle about _____ percent of the time for the previous 12 months in California -

California Air Basins



Using the map at right, estimate the percentage of your annual mileage or fuel usage that occurred in each area.	
North Coast:	Northeast Plateau:
Lake County:	Sacramento Valley:
San Francisco Bay:	Mountain Counties:
North Central Coast:	Lake Tahoe:
South Central Coast:	San Joaquin Valley:
South Coast:	Great Basin Valleys:
San Diego County:	Mojave Desert:
Outside California:	Salton Sea:
<i>Note: The total of all percentages must equal 100.</i>	

I certify under penalty of perjury that the Information provided above is accurate and true.

Signature: _____

Name: _____

Date: _____

Return report to:

Attachment O

TIMBER Funding Table			
Truck Improvement/Modernization Benefitting Emission Reductions			
New Log Truck Replacements			
Engine Model Year	0.5 g/bhp-hr NOx Standard or Cleaner		
	Average Annual Usage		Funding Amount
	Miles	Gallons	
Pre-1990	7,000	1,200	\$10,000
	9,000	1,600	\$15,000
	12,000	2,100	\$20,000
	15,000	2,600	\$25,000
	18,000	3,100	\$30,000
	20,000	3,400	\$35,000
	23,000	3,900	\$40,000
	26,000	4,400	\$45,000
	29,000	4,900	\$50,000
	31,000	5,200	\$55,000
	34,000	5,700	\$60,000
1991-1993	10,000	1,700	\$10,000
	15,000	2,500	\$15,000
	19,000	3,100	\$20,000
	24,000	3,900	\$25,000
	28,000	4,600	\$30,000
	33,000	5,400	\$35,000
	38,000	6,200	\$40,000
	42,000	6,900	\$45,000
	47,000	7,700	\$50,000
	51,000	8,300	\$55,000
	56,000	9,100	\$60,000
1994-2002	12,000	1,900	\$10,000
	18,000	2,900	\$15,000
	23,000	3,700	\$20,000
	28,000	4,400	\$25,000
	34,000	5,400	\$30,000
	39,000	6,200	\$35,000
	45,000	7,100	\$40,000
	50,000	7,900	\$45,000
	56,000	8,800	\$50,000
	61,000	9,600	\$55,000
	67,000	10,600	\$60,000